



Introduction and context

The business imperative of protecting biodiversity

The planet and society rely on robust and diverse ecosystems for optimal functioning. Urgent action is required from all stakeholders to collaboratively restore and conserve biodiversity losses across international stakeholders. We recognize that more than half of the global gross domestic product depends on nature. Corporations face significant operational risks when highly dependent on nature due to collapsing ecosystems.

To proactively enhance our contribution to the UN Convention on Biological Diversity Post-2020 Global Biodiversity Framework and the EU Biodiversity Strategy for 2030, we at Signify are intensifying our efforts to measure, mitigate, and reduce the impact on nature resulting from our activities. Our Nature Action Plan guides these efforts.

¹WEF, 2020: The New Nature Economy Report. https://www.weforum.org/press/2020/01/half-of-world-s-gdp-moderately-or-highly-dependent-on-nature-says-new-report/

At Signify, we understand the vital connection between our business and nature. Sustainability permeates every facet of our operations, from decarbonizing processes and maintaining a responsible supply chain to implementing circular lighting solutions, eco-conscious manufacturing practices, and sustainable packaging. Designed to harmonize with the environment, our technology aims to reduce energy consumption while minimizing ecological impact.

As global leaders in the lighting industry, we specialize in innovative solutions that enhance efficiency while prioritizing environmental stewardship. Our extensive product portfolio intentionally embraces sustainability, leveraging energy-efficient technologies and eco-friendly materials. Our commitment extends beyond illumination; it encompasses a dedication to preserving nature and promoting biodiversity protection.



This brochure outlines Signify's approach regarding its impact on nature across its value chain

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Our approach

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We have engaged with nature-related topics over the years and across our value chain. Specific projects and initiatives have already contributed to addressing our impact on nature, such as:

Our sustainable packaging requirements, which stand against deforestation of natural forests and habitats and promote

the use of sustainable materials.

Our sustainable supply chain program, which covers environmental impact and management systems in our supply base.

Our achievements in phasing out plastics in our consumer packaging, which contribute to less plastic pollution in nature and oceans.

Our horticulture lighting portfolio, which contributes to vertical farming to increase food production while decreasing land use, water consumption and the use of fertilizers and pesticides.

Our light spectrum, which helps to maintain a balanced ecosystem by displaying minimal attraction for insects, enabling bats to behave as they do in full darkness and preventing lit roads from acting as borders or obstacles to be crossed at night.

As a next step, we conducted an impact assessment following the TNFD Locate-Evaluate-Assess-Prepare (LEAP) framework looking at our biodiversity impacts, dependencies, risks, and opportunities. The biodiversity assessment was conducted across our value chain, including our direct operations (manufacturing sites, offices, and legacy sites), supply chain partners, commodities, and production processes, and use of our lighting products. The assessment outcomes were leveraged to define the actions of our nature action plan.



I. Our operations

The assessment focusing on our own operations looked at the potential biodiversity and water risks and impacts for all sites and identified that most sites have likely a low impact given the distance from waterways and vulnerable habitats. Less than 0.1% of our sites were selected for further assessment due to the potential risks of impact and dependencies from water use, water and soil pollution and disturbances.

Our action plan for our operations:

- Conduct field-based environmental assessments for the priority sites identified as potential risk due to proximity to vulnerable habitats and ecosystems
- Launch best practice guidance on biodiversity for sites and educate our employees
- Enhance biodiversity actions at our sites through habitat creation and reduction of light disturbance
- Improve guidance on land use for offices and sites
- Fund and engage with local nature projects





2. Supply chain

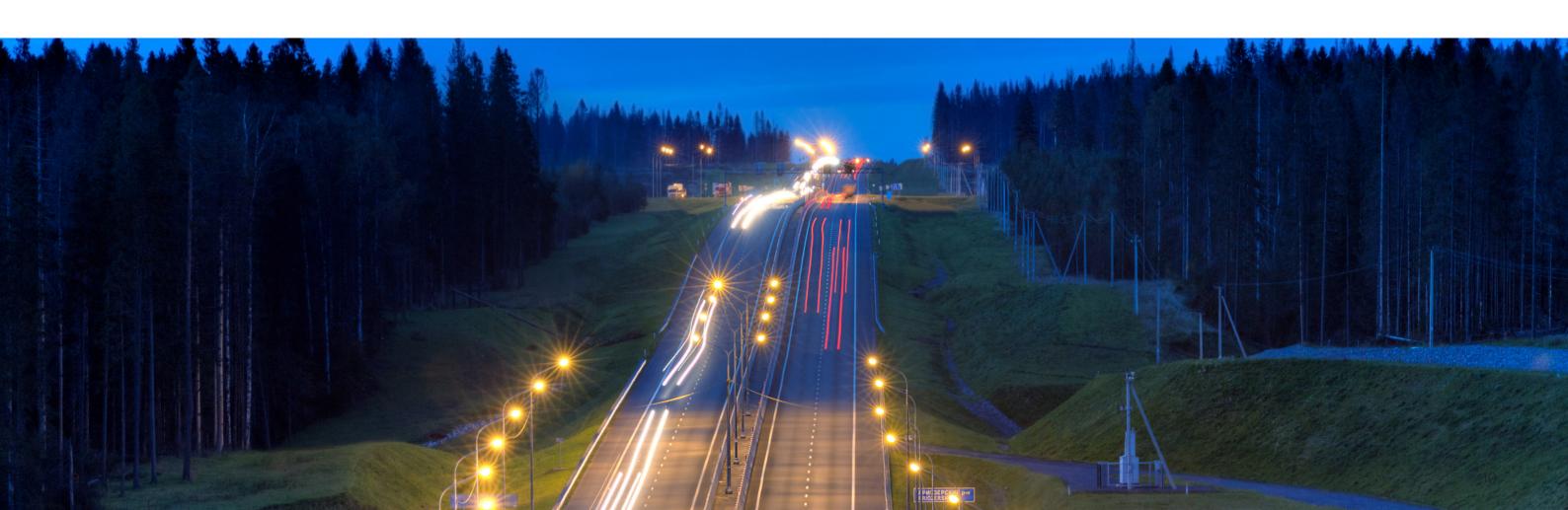
Our supply chain biodiversity assessment focused on priority commodities from our key products based on potential impacts on nature. We defined the key risk areas for the impact on natural capital assets along the production steps of the key commodities and engaged with our main suppliers.

Our priority commodities are LEDs, plastic, steel, batteries, aluminum, cardboard and semiconductors. The natural systems we are focusing on are terrestrial ecosystem use, fresh water and marine ecosystem use and water use.

Our action plan for our supply chain:

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- Implement monitoring processes and data collection for the largest suppliers within the potential risk commodities
- Deliver trainings on biodiversity and engage our Tier 1 suppliers in impact management
- Explore sustainable alternative materials to reduce the demand of potential high-risk commodities
- Increase recycled content in high-impact commodities







3. Products

Our product biodiversity assessment focused on the use phase of our products and the specific settings. The direct impact of light on nature is location-and time-specific. We identified key outdoor light settings and environments that are most at risk of impacting natural assets through light pollution and wildlife disturbance. These are light settings for streets and utilities, parks, ports and airports, food production, residential areas and wildlife.

Our action plan for our products:

- Explore partnerships to fund conservation efforts with nature-friendly light products
- Embed biodiversity findings and recommendations in our commercial processes to support customers in mitigating impact
- Develop settings or sensors for all relevant product groups to mitigate the potential negative effects of light on nature

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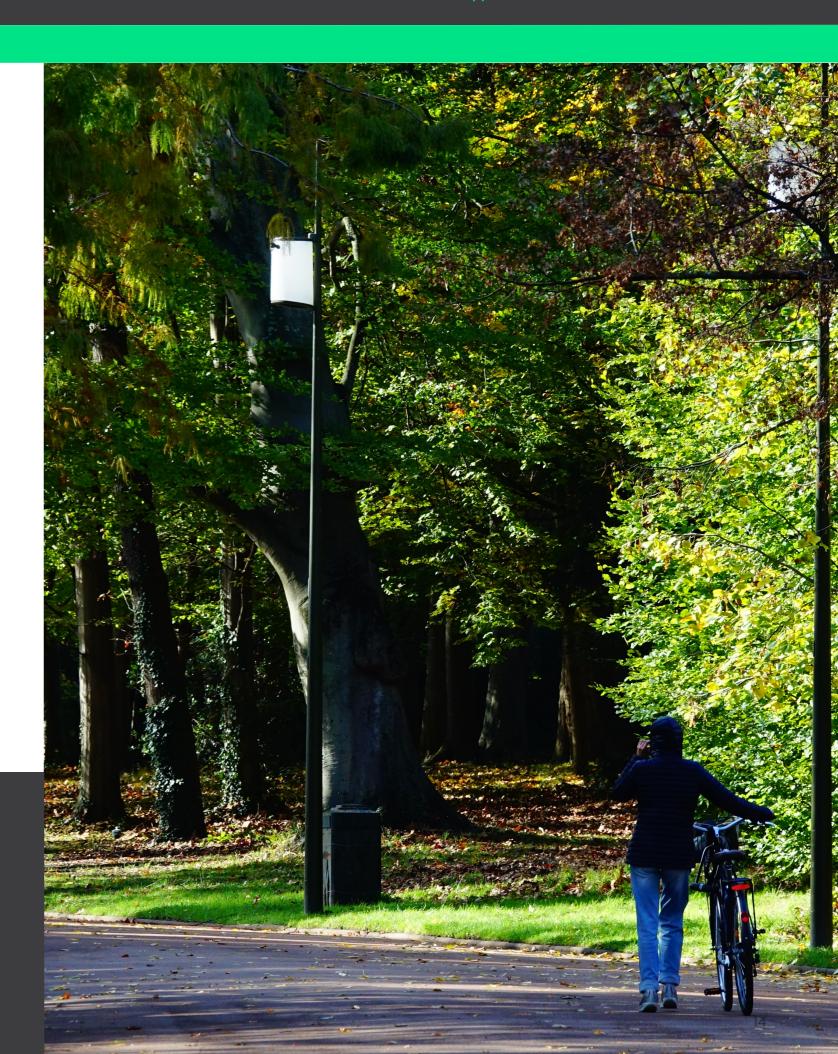


Conclusion

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At Signify, we recognize that our well-being and the health of our planet are intrinsically linked to nature. Ecosystem services—clean air, fresh water, and soil—sustain life. Our designs not only brighten spaces but can also work to sustain the natural world. By minimizing our impact and prioritizing sustainability, we contribute to brighter lives and a better world.

Taking concrete actions future-proofs our business and its potential impact on nature. The knowledge and experience we gained along this journey will leverage our position to start collaborating and engaging with suppliers and customers and further integrating biodiversity actions across all areas of our business. We want to seize the opportunity to engage with key supply chain partners, scaling up circular economy, and increase the use of viable, sustainable alternative materials while optimizing recycled materials use.



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